



North Carolina Department of Health and Human Services

Beverly Eaves Perdue, Governor

Lanier M. Cansler, Secretary

Division of Mental Health, Developmental Disabilities and Substance Abuse Services

3001 Mail Service Center
Raleigh, North Carolina 27699-3001
Tel 919-733-7011 • Fax 919-508-0951
Leza Wainwright, Director


Division of Medical Assistance

2501 Mail Service Center
Raleigh, North Carolina 27699-2501
Tel 919-855-4100 • Fax 919-733-6608
Craig L. Gray, MD, MBA, JD, Director

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MEMORANDUM

TO: Legislative Oversight Committee Members
Local CFAC Chairs
NC Council of Community Programs
County Managers
State Facility Directors
LME Board Chairs
Advocacy Organizations
MH/DD/SAS Stakeholder Organizations
Commission for MH/DD/SAS
State CFAC
NC Assoc. of County Commissioners
County Board Chairs
LME Directors
DHHS Division Directors
Provider Organizations
NC Assoc. of County DSS Directors

FROM: Dr. Craigan L. Gray
Leza Wainwright 

SUBJECT: SPECIAL Implementation Update #61: Case Management, Community Support Update, and Clarification to Recipient Mailing

We know we promised the system that we would limit our Implementation Updates to the first Monday of the month in order to ensure that our partners knew when to expect to receive information and updates from us. We intend to honor that commitment. However, right now there is so much happening as we work to implement all of the changes mandated by the 2009 budget adopted by the General Assembly, that we hope you will agree that it is better to communicate more frequently. This special Implementation Update covers changes to the Community Support implementation schedule announced in Implementation Update # 60 and the latest on case management.

Community Support

Implementation Update # 60 announced that effective October 12, 2009 no new admissions to Community Support would be allowed. In light of the fact that the Community Support Workgroup is still meeting to develop the full transition plan, we heard many concerns about that timeframe. We understand and agree with those concerns. Therefore, we have agreed to continue to allow new admissions to Community Support for the remainder of calendar year 2009. [Note: this extension applies to Medicaid-eligible individuals only; Local Management Entities (LMEs) may restrict admissions for state-funded consumers at an earlier date subject to availability of funds.] **New admissions to Community Support will not be authorized effective January 1, 2010**, except as reviewed and approved for children under age 21 through the provisions of the Medicaid Early Periodic Screening, Diagnosis and Treatment (EPSDT) requirements. Although we are extending the date for

admissions to Community Support, we encourage LMEs and providers to refer consumers to other medically necessary services that will not be discontinued whenever that is appropriate.

Case Management

The case management workgroup met on Tuesday, September 24th to receive and discuss the plan developed by the Division of Medical Assistance (DMA) for the consolidation of case management. The DMA plan was developed based upon the agreements that the workgroup had already reached regarding the goals and outcomes of the plan, the definitions of case management and care management, and the knowledge, skills and abilities that case managers need to possess. We encourage that before you respond to the plan, you review the minutes from the previous meetings in order that context is understood.

The plan incorporates both short-term and long-term strategies. The short-term strategies include:

- Limiting the number of units of case management that may be billed in any given month for a recipient.
- Allowing only one case management provider to bill for an individual recipient in any given month.
- Implementing further rate reductions (beyond the rate reductions specifically mandated by the General Assembly).
- Implementing administrative changes to reduce the burden on providers, including paperwork reduction and reducing or eliminating requirements around Prior Authorization (PA) (not an exhaustive list).

The long term strategy follows the vision of the Department of Health and Human Services for every Medicaid recipient to have a “medical home” through Community Care of North Carolina (CCNC) and for those recipients with mental illness, intellectual/developmental disabilities and/or substance use disorders to also have a “clinical home” through the Local Management Entities (LMEs). Case management for MH/DD/SA would continue to be coordinated and managed by the LMEs through an at-risk, capitated funding model. Case management related to physical healthcare issues would be managed and coordinated through CCNC. CCNC and LMEs’ activities would be coordinated so that roles, activities and responsibilities would not be duplicative.

DMA asked the members of the workgroup to consider the plan, discuss it with the constituencies which each member represents (for MH/DD/SA that includes providers, LMEs and consumer organizations) and provide feedback by October 5, 2009. The materials from the meeting, including the PowerPoint presentation used to discuss the plan, are available on the DMA website at

<http://www.ncdhhs.gov/dma/provider/MedicaidCaseManagement.htm>. The site can also be accessed through the DMH/DD/SAS home page by clicking on the link labeled “Medicaid Case Management Initiatives.”

Clarification to Medicaid Recipient Mailing

Special Implementation Update # 60 (September 14, 2009) contains an accurate explanation of the policy changes occurring with respect to S.L. 2009-451, specifically changes to Community Support services and Residential Levels III and IV services for children. The mass mailing in September to all Medicaid recipients, in its brevity, omitted important information regarding the implementation. Please refer to Special Implementation Update # 60 for information about the transition, including information about services for children under EPSDT. Future implementation updates will contain additional important information regarding these transitions.

Unless noted otherwise, please email any questions related to this Implementation Update to

ContactDMH@ncmail.net.

cc:	Secretary Lanier M. Cansler	Christina Carter	Kari Barsness
	Allen Feezor	Sharnese Ransome	Shawn Parker
	Dan Stewart	Wayne Williams	Melanie Bush
	DMH/DD/SAS Executive Leadership Team	Jennifer Hoffman	
	DMA Deputy and Assistant Directors	John Dervin	